



Los Angeles County  
Board of Supervisors

March 25, 2011

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*To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.*



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TO: Each Supervisor

FROM: *fw* Mitchell H. Katz, M.D. *[Signature]*  
Director of Health Services

SUBJECT: **REQUEST TO PROCESS AN INFORMATION TECHNOLOGY SUPPORT SERVICES MASTER AGREEMENT (ITSSMA) WORK ORDER TO ASSIST THE DEPARTMENT OF HEALTH SERVICES WITH THE ASSESSMENT OF THE CURRENT MEDICAL REDESIGN DATABASE (MCALRS)**

This is to notify you of my request to the Internal Services Department (ISD) for an ITSSMA Work Order to obtain consultant services to assist in the assessment, documentation, recommendations, oversight of system design and programming services to convert the current MCALRS from "manual" processing to an automated process. Sierra Systems was selected as the vendor through a competitive bid process. The cost of this Work Order is \$360,000 over a period of twelve (12) months. In accordance with ITSSMA guidelines, prior Board notice is required for projects that will exceed \$300,000.

### **BACKGROUND**

The County of Los Angeles (County) Department of Health Services (DHS) is seeking to obtain the services of a Team of Consultants to assist in the assessment, documentation, recommendations, and oversight of system design and programming services to convert the current MCALRS from "manual" processing to an automated process. The MCALRS was established by DHS to meet the reporting needs of the Medicaid Demonstration Waiver Project. The Consultants will identify the best platform and practices to be used to better automate this process, and provide the flexibility to add/delete data elements and reports to accommodate future changes.

### **SCOPE OF WORK**

The Consultants will be responsible for the review of the Federal/State legislation/laws and regulations that govern the MCALRS and for documenting the system requirements, reviewing and documenting the pilot system, interviewing the MCALRS programmers and documenting the general process flow of the pilot MCALRS system.

Once the existing pilot MCALRS is documented in detail with a process flow, the Consultants shall complete a full business requirement assessment, identifying the platform(s), hardware and software requirements, as well as a complete detailed project plan.

The Consultants will also be responsible for writing/updating a Statement of Work (SOW) that defines the responsibilities of a Development Consultant.

The Development Consultant's SOW shall address the programming of the production system, completion of documentation on the production system, application testing, data conversion and data reconciliation for all the fiscal years on the pilot system (i.e. FY 2004/05, FY 2005/06, FY 2006/07, FY 2007/08, etc.), to complete the production implementation, and post-implementation of the MCALRS.

The Consultants will be responsible not only for the SOW, but also for assessment and recommendation of a Development Consultant(s), and to provide oversight of the project. The scope of the project to be addressed by the Consultants consists of the following:

- Prepare project status reports and keep MCALRS Project Manager informed of project status and issues;
- Construct/modify project plan and documentations for the replacement system as needed;
- Review and document the Federal/State legislation/laws and regulations that govern the MCALRS process;
- Develop an "As Is Document" by transforming the information contained in the existing MCALRS process flows and business rules into detailed design specifications with involvement from the business units and various support areas within DHS;
- Provide technical expertise in database design and systems design, and ensure knowledge of the MCALRS is transferred to the DHS technical staff;
- Obtain/facilitate specific granularity required to develop detail design specifications when the need arises from various support systems (i.e., Affinity, Remittance Advice, General ledger, SDHS P14, etc.)
- Develop a "To Be Model" by identifying the detail design specifications, to include the platform, hardware, software, interfaces, system sizing, etc. in the system development of the MCALRS replacement system;
- Provide assessment and recommendations on the skill set needed by the Development Consultant;
- Prepare the Statement of Work (SOW) needed to bring in Development Consultant(s) to complete the development phase of the project;



- Review the bids submitted by Development Consultant(s) and assist in the evaluation and selection process;
- Prepare a detailed security plan to include physical security, encryption and firewall rules;
- Perform a detail design on the data specifications so that the physical data model supports the business rules and data normalization;
- Ensure that the data flows, data models and the data dictionaries support the development and programming of the automated MCALRS replacement system (i.e. database schema, data descriptions, sizing, keys, interfaces, etc);
- Develop various reports and data views that meet Federal, State, and County standards for which cost and statistical data will need to be extracted from the MCALRS;
- Oversee and coordinate the full cycle of system development of the MCALRS replacement system, including development, testing, implementation, data migration and post-implementation, by reviewing the status reports prepared by the Development Consultant(s) and keep the MCALRS project informed of any issue and resolution;
- Submit comprehensive written reports on a weekly basis including time sheets and project status as required by the MCALRS Project Manager;
- Prepare operations manual, users manual and end-user training material needed to support the operations of the MCALRS;
- Conduct end-user training and knowledge transfer.

### **JUSTIFICATION**

DHS does not have the resources, the body of knowledge, nor experience levels necessary to evaluate its existing MCALRS system. DHS requires assistance with the assessment, documentation, recommendations, oversight of system design and programming services to convert the current Medi-Cal Redesign database (MCALRS) from “manual” processing to an automated process.

### **FISCAL IMPACT**

Pricing will be based on a fixed price proposal for the deliverables resulting from the tasks identified within the Scope of Work. The cost of this project is \$360,000 and the funds are currently in the Fiscal Year 2010-2011 DHS-Finance final budget.

**CLOSING**

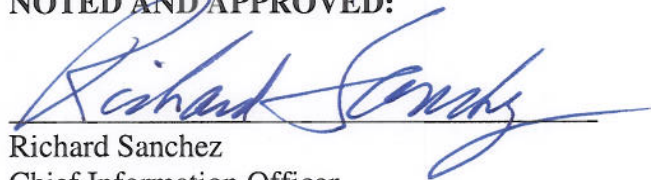
Consistent with ITSSMA policies and procedures, we are informing your Board of our intention to proceed with this Work Order. On April 11, 2011, we will instruct ISD to proceed with the execution of this Work Order.

If you have any questions or require additional information, please let me know.

MHK:gc

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors  
Chief Information Office  
Internal Services Department

**NOTED AND APPROVED:**

A handwritten signature in blue ink, appearing to read "Richard Sanchez", is written over a horizontal line.

Richard Sanchez  
Chief Information Officer

3-30-11  
Date